Remarks

The Office Action mailed July 19, 2004 has been carefully reviewed and the foregoing amendment has been made in consequence thereof.

Claims 1-4, 6-11, 13-16, and 18-27 are pending in this application. Claims 1-4, 6-11, 13-16, and 18-27 stand rejected. Claims 5, 12, and 17 have been cancelled.

In accordance with 37 C.F.R. 1.136(a), a two month extension of time is submitted herewith to extend the due date of the response to the Office Action dated July 19, 2004, for the above-identified patent application from October 19, 2004, through and including December 19, 2004. In accordance with 37 C.F.R. 1.17(a)(3), authorization to charge a deposit account in the amount of $450.00 to cover this extension of time request also is submitted herewith.

The objection to the drawings under 37 C.F.R. 1.83(a) is respectfully traversed. Applicants have added new Figure 9 which depicts a flowchart of the processes employed by the marketing system as referenced in the specification. Figure 9 adds no new matter. Moreover, Applicants have amended the specification to include recitations that relate to the following terms identified in the Office Action: "predicted customer profile", "determining a sequential order for combining the models to define the target group", "combining the models in the determined sequential order", an initial customer group", "projected profitability", "a list including a high profit end, a moderate profit section, and a low profit end", and "a profitability baseline". Support for this amendment may be found within the originally submitted specification. For example, support for the amendment may be found in the following sections of the specification: page 2, line 27 – page 3, line 4 (Figure 1); page 3, line 17 (Figure 2); page 3, lines 21-22 (Figure 2); page 4, lines 5-8 (Figure 2); page 5, lines 5-20 (Figure 2). No new matter has been added. Applicants respectfully submit that one skilled in the art, after reading the specification in light of the figures, including newly added Figure 9, would understand the present application including the terms: "predicted customer profile", "determining a sequential order for combining the models to define the target group", "combining the models in the

determined sequential order", an initial customer group", "projected profitability", "a list including a high profit end, a moderate profit section, and a low profit end", and "a profitability baseline". Accordingly, Applicants respectfully request that the objection to the drawings under 37 C.F.R. 1.83(a) be withdrawn.

The rejection of Claims 1-4, 6-11, 13-16, and 18-27 under 35 U.S.C. § 112, first paragraph, is respectfully traversed.

Applicants respectfully submit that the specification meets the requirements of Section 112, first paragraph. Specifically, Applicants respectfully submit that the specification, including the figures, would enable one skilled in the art to make and/or use the invention as described in the present patent application. Accordingly, Applicants respectfully request that the rejection of Claims 1-4, 6-11, 13-16, and 18-27 under Section 112, first paragraph, be withdrawn.

The Office Action asserts at pages 3 and 4 that "Claims 1-4, 6-11, 13-16, and 18-27 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement...Specifically, the invention disclosed by the claims uses 'the targeting engine to determine a sequential order for combining the models to define the target group' and combines 'the models in the determined sequential order to define an initial customer group, the initial customer group satisfying each of the combined models and rank ordered by projected profitability [...], the target group includes the customers included between the high profit end of the list and the profitability baseline'". Additionally, the Office Action asserts at page 4 that "the only recitation of a sequential order is with respect to chronologically ordering campaigns to identify trends in campaigns over time". Applicants respectfully traverse these assertions.

Applicants submit that the specification, including the figures, clearly describes using the targeting engine to determine a sequential order for combining the models to define the target group. For example, the specification at page 3, line 2 to page 4, line 9 provides in relevant part as follows:

...targeting engine ... takes data input and based upon modeling generates user interfaces...

...Targeting engine 22 streamlines the planning and execution of marketing programs and enables advanced customer analysis and segmentation capabilities. Targeting engine 22 further delivers information in a proactive and timely manner to enable a user to gain a competitive edge. Targeting engine 22 accomplishes these goals through the use of models.

Models are predicted customer profiles based upon historic data. Any number of models can be combined as an OLAP cube which takes on the form of a multi dimensional structure to allow immediate views of dimensions including for example, risk, attrition, and profitability.

Models are embedded within targeting engine 22 as scores associated with each customer, the scores can be combined to arrive at relevant customer metrics. In one embodiment, models used are grouped under two general categories, namely marketing and risk...

Targeting engine 22 combines the embedded models described above to apply a score to each customer's account and create a marketing program to best use such marketing resources as mailing, telemarketing, and internet online by allocating resources based on consumer's real value. Targeting engine 22 maintains a multi-dimensional customer database based in part on customer demographics.

Additionally, the specification at page 4, lines 28-32 provides in relevant part as follows:

Using information of this type, targeting engine 22 can generate a profitability analysis by combining models to determine a probability score for response, attrition and risk. Customers are rank ordered by probability of cross-sell response, attrition, risk, and net present value.

In other words, the originally filed specification, along with the figures, describes a targeting engine configured to combine multiple models to determine a relevant customer list. Specifically, the targeting engine is initially utilized to generate an initial customer list using a first model. The targeting engine is then utilized to generate a refined list using another model. As such, the targeting engine is utilized to target a marketing program to a list of potential customers by combining models until a relevant potential customer list is generated. Accordingly, although the term "sequential order" is not specifically used to refer to the operation of the targeting engine, Applicants submit that one skilled in the relevant art would understand that the targeting engine must combine the models in a specific sequential order to maximize the number of customers within the profitability section of the target group, and thus, the specific sequential order must be determined to operate the targeting engine as described herein.

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Applicants submit that the specification, including the figures, clearly describes combining the models in the determined sequential order to define an initial customer group, the initial customer group includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer. Specifically, as indicated above, although the term "sequential order" is not specifically used to refer to the operation of the targeting engine, Applicants submit that the targeting engine must combine models in a specific sequential order to maximize the number of customers within the profitability section of the target group.

Moreover, Applicants submit that the specification, including the figures, clearly describes an initial customer group. For example, the specification, at page 5, lines 5-6, provides "[t]argeting engine uses the stored databases and generates a potential customer list based on scores...". Accordingly, Applicants submit that the specification clearly describes an initial customer group.

Furthermore, Applicants submit that the specification, including the figures, clearly describes rank ordering an initial customer list by projected profitability. For example, the specification, at page 5, lines 23-30, provides in relevant part "[t]argeting engine uses the stored databases and generates a potential customer list based on scores based on ... expected profitability...These scores are used to rank order candidate accounts for marketing campaigns based upon model scores embedded within the consumer and structure databases." Moreover, the specification has been amended to recite "[a] potential customer list is generated 108 from the relevant customer metrics based on scores relating to projected profitability. The customers within the customer list are rank ordered 110 between a maximum profit customer and a minimum profit customer." Accordingly, Applicants submit that the specification clearly describes rank ordering an initial customer list by projected profitability.

Applicants respectfully submit that one skilled in the art, after reading the specification in light of the figures, including newly added Figure 9, would understand the present application

including the steps of combining the models in the determined sequential order to define an

initial customer group wherein the initial customer group includes a list of customers satisfying

each of the combined models and rank ordered by projected profitability wherein projected

profitability is based on at least one of a probable response by a customer to the marketing

campaign, attrition of the customer, and risk associated with the customer.

Moreover, Applicants submit that the specification, including the figures, clearly

describes combining models to define a list of customers including a high profit end, a moderate

profit section, and a low profit end, wherein the high profit end includes customers having a

highest projected profitability, the low profit end includes customers having a lowest projected

profitability, and the moderate profit section includes a profitability baseline, such that the

determined sequential order maximizes a number of customers included between the high profit

end and the profitability baseline, and the target group includes the customers included between

the high profit end of the list and the profitability baseline.

For example, the specification has been amended to recite the following:

> Figure 9 is a flowchart illustrating an exemplary use of marketing system 20
> (shown in Figure 2). In the exemplary embodiment, marketing system 20
> facilitates generating a marketing campaign customer list for targeted
> marketing. Specifically, historical data is compiled 100 in consumer
> databases 14 (shown in Figure 1). Consumer databases 14 are accessed 102
> by targeting engine 22 (shown in Figure 2). The data in consumer databases
> 14 is used 104 to determine a target group based on the models, or predicted
> customer profiles, embedded within targeting engine 22. Additionally,
> targeting engine 22 is used 106 to combine models in a predetermined order to
> arrive at relevant customer metrics. A potential customer list is generated 108
> from the relevant customer metrics based on scores based on projected
> profitability. The customers within the customer list are rank ordered 110
> between a maximum profit customer and a minimum profit customer.
> Targeting engine 22 then determines 112 a customer range between the
> maximum profit customer and a zero profit versus cost customer.
> Additionally, targeting engine 22 forms a marketing campaign customer list
> including the customers within the determined customer range.

Applicants respectfully submit that support for this amendment may be found within the

originally submitted specification, and that no new matter has been added. Specifically, by way

of further example, Applicants submit that at least the following sections of the specification,

including the figures, clearly support the amended portion of the specification: page 2, line 27 – page 3, line 4 (Figure 1); page 3, line 17 (Figure 2); page 3, lines 21-22 (Figure 2); page 4, lines 5-8 (Figure 2); page 5, lines 5-20 (Figure 2).

Applicants respectfully submit that one skilled in the art, after reading the specification in light of the figures, including newly added Figure 9, would understand the present application including the step of combining the models to define a list of customers including a high profit end, a moderate profit section, and a low profit end, wherein the high profit end includes customers having a highest projected profitability, the low profit end includes customers having a lowest projected profitability, and the moderate profit section includes a profitability baseline, such that the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, and the target group includes the customers included between the high profit end of the list and the profitability baseline. Accordingly, although the term "profitability baseline" is not specifically used to refer to the zero profit versus cost customer, Applicants submit that one skilled in the relevant art would understand that a zero profit versus cost, or marginal cost, describes a "profitability baseline".

Applicants respectfully submit that the specification, including the figures, would enable one skilled in the art to make and/or use the invention as described in the present patent application. Accordingly, Applicants respectfully request that the rejection of Claims 1-4, 6-11, 13-16, and 18-27 under Section 112, first paragraph, be withdrawn.

For the reasons set forth above, Applicants respectfully request that the rejection of Claims 1-4, 6-11, 13-16, and 18-27 under Section 112, first paragraph, be withdrawn.

The rejection of Claims 1-4, 6-11, 13-16, and 18-27 under 35 U.S.C. § 102(b) as being anticipated by Jackson et al., Strategic Database Marketing (1996) (referred to herein as "Jackson") is respectfully traversed.

Applicants respectfully submit that Jackson does not describe or suggest the claimed invention. As discussed below, at least one of the differences between Jackson and the present

invention is that Jackson neither describes nor suggests using historical data to determine a target group based upon a plurality of models, wherein the plurality of models include risk models, attrition models, and profitability models, wherein each model is a statistical analysis for predicting a behavior of a prospective customer, and wherein a risk model predicts a likelihood of whether the prospective customer will at least one of pay on time, be delinquent with a payment, and declare bankruptcy, an attrition model predicts a likelihood of whether the prospective customer will remain a customer or become a customer of a competitor, and a profitability model predicts a net present value of the prospective customer.

Moreover, at least one other difference between Jackson and the present invention is that Jackson neither describes nor suggests using a targeting engine to determine a sequential order for combining models to define a target group, wherein the model combination includes a risk model, an attrition model, and a profitability model. Rather, as explained below, Applicants respectfully submit that Jackson teaches away from the present invention.

More specifically, Jackson describes at page 180, section 1 that "Based on multiple linear regression analysis, the retailer again found out that the most important predictor was spending one hundred dollars on books...A value of 10 points was assigned to that variable...The second most important predictor was the gender of the customer, with a value of 8 points attributed to females...Finally, interests in gourmet cooking and wine were assigned point values of 5 and 6, respectively." However, Jackson does not teach determining a sequential order for combining models. Rather, Jackson describes a process wherein the predictors are weighted, but the sequential order of asking the predictor questions or adding the predictor scores is not determined and does not effect the final results. The Office Action also appears to equate the laws of mathematics (i.e., the order in which an equation is added, subtracted, multiplied and/or divided), which are applied in Jackson, with "determining a sequential order", and the quantities included within an equation to the "models" recited in the present claims. However, as noted in the Office Action, the laws of mathematics are fixed (i.e., predetermined), and therefore, the sequential order in which quantities included within an equation are added or subtracted do not have to be determined. Moreover, as explained below, mere quantities included within an

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equation do not describe or teach a model as recited in the present claims. Accordingly, neither Jackson nor the laws of mathematics describe or suggest determining a sequential order for combining models as recited in the present claims. Additionally, Jackson does not describe or suggest a model combination including a risk model, an attrition model, and a profitability model.

Furthermore, at least one other difference between Jackson and the present invention is that Jackson neither describes nor suggests combining the models in the determined sequential order to define an initial customer group that includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer. Rather, in Jackson, weighted predictors can be combined in any order because the output is merely a total of the points assigned to the predictors found in each potential customer, and is not based on the order in which the models are combined. Thus, in contrast to the present invention, the output in Jackson does not include a list of customers satisfying each of the combined models, but rather the output in Jackson includes all of the potential customers in a database with a total point number assigned wherein the total point number for each potential customer would not necessarily indicate which predictors applied to the particular potential customer.

Additionally, Jackson does not describe or suggest an initial customer group list that has a high profit end, a moderate profit section, and a low profit end, wherein the high profit end includes customers having a highest projected profitability, the low profit end includes customers having a lowest projected profitability, and the moderate profit section includes a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, and wherein the target group includes the customers included between the high profit end of the list and the profitability baseline.

Moreover, Jackson does not describe or suggest using the targeting engine to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero.

Jackson generally describes a business-based approach to strategic database marketing, wherein historical data collected by a marketer is stored in historical data management databases such that the historical data can be later used by the marketer. (See pages 27-28.) Jackson also describes a recency, frequency, and monetary (RFM) analysis that allows a marketer to identify a business' "best customers" based upon the frequency and sales dollars that the customers have spent with the business. The RFM data can also be used to create a lifetime value model of customers, which can project the value of a customer over a period of years. (See pages 40-41.) Jackson further describes using multiple models so that a marketer can determine the most desirable segments upon which to focus the allocation of marketing resources. (See pages 184-185.) The database-driven marketing programs enable a business to target a specific product to the correct consumer in order to make a sale. (See page 39.)

Claim 1 recites a method for increasing the efficiency of marketing campaigns using a targeting engine for analyzing data input and generating data output, wherein the method including the steps of "using historical data to determine a target group based upon a plurality of models embedded within and executed by the targeting engine wherein each model is a predicted customer profile, the plurality of models include risk models, attrition models, and profitability models, each model is a statistical analysis for predicting a behavior of a prospective customer, wherein a risk model predicts a likelihood of whether the prospective customer will at least one of pay on time, be delinquent with a payment, and declare bankruptcy, an attrition model predicts a likelihood of whether the prospective customer will remain a customer or become a customer of a competitor, a profitability model predicts a net present value of the prospective customer...using the targeting engine to determine a sequential order for combining the models to define the target group, the model combination includes a risk model, an attrition model, and a profitability model...combining the models in the determined sequential order to define an initial customer group, the initial customer group includes a list of customers satisfying each of the

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combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer, the list includes a high profit end, a moderate profit section, and a low profit end, the high profit end including customers having a highest projected profitability, the low profit end including customers having a lowest projected profitability, the moderate profit section including a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, the target group includes the customers included between the high profit end of the list and the profitability baseline...using the targeting engine to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero...directing the marketing campaign towards the target group determined by the models."

Jackson does not describe or suggest a method for increasing the efficiency of marketing campaigns as recited in Claim 1. More specifically, Jackson does not describe or suggest using historical data to determine a target group based upon a plurality of models, wherein the plurality of models include risk models, attrition models, and profitability models, wherein each model is a statistical analysis for predicting a behavior of a prospective customer, and wherein a risk model predicts a likelihood of whether the prospective customer will at least one of pay on time, be delinquent with a payment, and declare bankruptcy, an attrition model predicts a likelihood of whether the prospective customer will remain a customer or become a customer of a competitor, and a profitability model predicts a net present value of the prospective customer.

Jackson also does not describe or suggest using a targeting engine to determine a sequential order for combining models to define a target group, wherein the model combination includes a risk model, an attrition model, and a profitability model.

Furthermore, Jackson does not describe or suggest combining the models in the determined sequential order to define an initial customer group that includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein

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projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer.

Additionally, Jackson does not describe or suggest an initial customer group list that includes a high profit end, a moderate profit section, and a low profit end, such that the high profit end includes customers having a highest projected profitability, the low profit end includes customers having a lowest projected profitability, and the moderate profit section includes a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, and wherein the target group includes the customers included between the high profit end of the list and the profitability baseline.

Moreover, Jackson does not describe or suggest using the targeting engine to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero.

Rather, Jackson describes a business-based approach to strategic database marketing that uses historical data and models to generate data that is then analyzed by a marketer to determine the most desirable segments upon which to focus the allocation of marketing resources.

According to page 5 of the Office Action, Jackson describes "using historical data to determine a target group based on a plurality of models...." However, Applicants respectfully submit that Jackson does not describe using historical data to determine a target group based upon a plurality of models, wherein the plurality of models include risk models, attrition models, and profitability models, as recited in Claim 1. Rather, Jackson merely describes using historical data to determine a market based on a model. For example, Jackson, at pages 174 -177, describes using a scoring (or profitability) model to predict how individuals will behave in the future. Specifically, a score is assigned to each individual in the customer database according to the individuals propensity (or likelihood) to respond or purchase. High scores are assigned to the individuals predicted to be desirable, and low scores are assigned to individuals projected to be

less desirable. As such, each customer can be ranked from those having the greatest profit potential to those having the least profit potential. Additionally, a gains table is developed based on the scoring model, and a marketing strategy is developed based on the projected customer profitability. In one section of Jackson, however, building multiple models is described. Specifically, Jackson, at page 184, describes using two complimentary models, one to predict response, and the other to predict risk and liability. As such, Jackson does not describe or suggest using historical data to determine a target group based upon a plurality of models, wherein the plurality of models include risk models, attrition models, and profitability models.

According to page 6 of the Office Action, Jackson describes "using the targeting engine to determine a sequential order for combining the models to define the target group". However, Applicants respectfully submit that Jackson does not describe using the targeting engine to determine a sequential order for combining the models to define the target group, wherein the model combination includes a risk model, an attrition model, and a profitability model as recited in Claim 1. Rather, Jackson, at pages 174 and 175, describes utilizing a single model based on profitability to rank customers in a single database to develop a profitability gains table. In fact, the gains table shown in Table 11-1 of Jackson, utilizes a single scoring model to rank customers based on profitability. Additionally, Jackson at pages 176, 177, 182 and 183 describes a method of using the single scoring model to identify optimum strategies for allocating marketing resources. As such, Jackson does not describe nor even suggest using a targeting engine to determine a sequential order for combining models. Moreover, Jackson, at page 184, describes using two complimentary models, however, Jackson does not describe nor suggest using a targeting engine to determine a sequential order for combining models. Rather, contrary to what is suggested by the Office Action, the discussion in Jackson of using a primary model to predict profitability and another related model to determine bad debt does not describe or suggest determining a sequential order for combining models. Accordingly, although Jackson discusses combining models, Jackson does not describe or teach determining a sequential order for combining models, wherein the determined sequential order maximizes a number of customers included between a high profit end and a profitability baseline.

Moreover, the Office Action appears to suggest that the weighting of the predictors in Jackson somehow describes determining a sequential order for combining models to define a target group. However, Applicants respectfully submit that although the predictors in Jackson are weighted, the order of asking the predictor questions and the order of adding the predictor scores is not determined and does not effect the final results. Rather, the predictors can be combined in any order because the output is merely a total of the points assigned to the predictors found in each potential customer, and is not based on the order in which the models are combined. In other words, Jackson does not describe or teach determining a sequential order for combining models, but rather, Jackson merely describes weighting certain predictors more heavily than others and then combing (i.e., adding) these predictors in any order to generate a point total.

The Office Action also asserts at page 6 that Jackson describes "combining the models in the determined sequential order to define an initial customer group, the initial customer group includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer, the list includes a high profit end, a moderate profit section, and a low profit end, the high profit end including customers having a highest projected profitability, the low profit end including customers having a lowest projected profitability, the moderate profit section including a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, the target group includes the customers included between the high profit end of the list and the profitability baseline". As explained below, Applicants respectfully traverse these assertions.

Applicants respectfully submit that Jackson does not describe combining the models in the determined sequential order to define an initial customer group, wherein the initial customer group includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated

with the customer, as recited in Claim 1. Moreover, Applicants respectfully submit that Jackson does not describe combining models to define a list of customers including a high profit end, a moderate profit section, and a low profit end, the high profit end including customers having a highest projected profitability, the low profit end including customers having a lowest projected profitability, the moderate profit section including a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, the target group includes the customers included between the high profit end of the list and the profitability baseline.

Rather, as indicated above, and contrary to what is suggested by the Office Action, the discussion in Jackson of using a primary model to predict profitability and another related model to determine bad debt does not describe or suggest determining a sequential order for combining models. Although Jackson discusses combining models at page 184, Jackson does not describe or teach determining a sequential order for combining models and then combining the models in the determined sequential order to define a target group.

Furthermore, Jackson does not describe or suggest combining the models in the determined sequential order to define an initial customer group that includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer. Rather, in contrast to the present invention, the output in Jackson does not include each potential customer that satisfies the combined models, but rather the output in Jackson includes all of the potential customers in a database with a total point number assigned wherein the total point number for each potential customer would not necessarily indicate which predictors applied to the particular potential customer. Thus, Applicants respectfully submit that Jackson does not describe nor teach combining the models in the determined sequential order to define an initial customer group that includes a list of customers satisfying each of the combined models.

Additionally, Jackson does not describe or suggest combining the models in the determined sequential order wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline. As discussed above, Jackson does not describe or teach combing models in a determined sequential order, but rather, Jackson merely describes weighting certain predictors more heavily than others and then combing (i.e., adding) these predictors in any order to generate a point total for each potential customer. Further, Jackson does not mention maximizing a number of customers included between a high profit end and a profitability baseline. Accordingly, Jackson does not describe or teach combining models in a determined sequential order wherein the determined sequential order maximizes a number of customers included between a high profit end and a profitability baseline.

Moreover, Jackson does not describe or suggest using the targeting engine to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero. Accordingly, Applicants respectfully submit that Claim 1 is patentable over Jackson.

For at least the reasons set forth above, Applicants respectfully request that the 35 U.S.C. § 102(b) rejection of Claim 1 be withdrawn.

Claims 2-4, 6-10, 22, 24, and 25 depend, directly or indirectly, from independent Claim 1. When the recitations of Claims 2-4, 6-10, 22, 24, and 25 are considered in combination with the recitations of Claim 1, Applicants submit that dependent Claims 2-4, 6-10, 22, 24, and 25 likewise are patentable over Jackson.

Claim 11 recites a system configured to increase efficiency of marketing campaigns that includes "a customer database which includes customer demographics and historical data...a targeting engine for analyzing data input and generating data output, said targeting engine having a plurality of models stored thereon wherein each model is a predicted customer profile, the plurality of models include risk models, attrition models, and profitability models, each model is

a statistical analysis for predicting a behavior of a prospective customer, wherein a risk model predicts a likelihood of whether the prospective customer will at least one of pay on time, be delinquent with a payment, and declare bankruptcy, an attrition model predicts a likelihood of whether the prospective customer will remain a customer or become a customer of a competitor, a profitability model predicts a net present value of the prospective customer, said targeting engine configured to access said historical data, determine a sequential order for combining said models to define the target group, the model combination includes a risk model, an attrition model, and a profitability model, and combine said models in the determined sequential order to define an initial customer group, the initial customer group includes a list of customers satisfying each of said combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer, the list includes a high profit end, a moderate profit section, and a low profit end, the high profit end including customers having a highest projected profitability, the low profit end including customers having a lowest projected profitability, the moderate profit section including a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, the target group includes the customers included between the high profit end of the list and the profitability baseline, said targeting engine further configured to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero…and a graphical user interface for accessing customer database and displaying data output including the target group."

Jackson does not describe or suggest a system configured to increase efficiency of marketing campaigns as recited in Claim 11. More specifically, Jackson does not describe or suggest a targeting engine having a plurality of models stored thereon wherein the plurality of models include risk models, attrition models, and profitability models.

Jackson also does not describe or suggest the targeting engine configured to determine a sequential order for combining models to define a target group, wherein the model combination includes a risk model, an attrition model, and a profitability model.

Furthermore, Jackson does not describe or suggest the targeting engine configured to combine the models in the determined sequential order to define an initial customer group that includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer.

Additionally, Jackson does not describe or suggest an initial customer group list that includes a high profit end, a moderate profit section, and a low profit end, such that the high profit end includes customers having a highest projected profitability, the low profit end includes customers having a lowest projected profitability, and the moderate profit section includes a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, and wherein the target group includes the customers included between the high profit end of the list and the profitability baseline.

Moreover, Jackson does not describe or suggest using the targeting engine further configured to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero.

Rather, Jackson describes a business-based approach to strategic database marketing that uses historical data and models to generate data that is then analyzed by a marketer to determine the most desirable segments upon which to focus the allocation of marketing resources.

As discussed above, Applicants respectfully submit that Jackson does not describe a targeting engine having a plurality of models stored thereon wherein the plurality of models include risk models, attrition models, and profitability models. Rather, Jackson merely describes a targeting engine that utilizes historical data to determine a market based on a model. For example, Jackson, at pages 174 -177, describes using a scoring (or profitability) model to predict how individuals will behave in the future. Specifically, a score is assigned to each individual in

the customer database according to the individuals propensity (or likelihood) to respond or purchase. High scores are assigned to the individuals predicted to be desirable, and low scores are assigned to individuals projected to be less desirable. As such, each customer can be ranked from those having the greatest profit potential to those having the least profit potential. Additionally, a gains table is developed based on the scoring model, and a marketing strategy is developed based on the projected customer profitability. In one section of Jackson, however, building multiple models is described. Specifically, Jackson, at page 184, describes using two complimentary models, one to predict response, and the other to predict risk and liability. Jackson however does not describe or suggest a targeting engine having risk models, attrition models, and profitability models. Furthermore, Jackson does not describe or suggest a targeting engine configured to determine a sequential order for combining models to define a target group, wherein the model combination includes a risk model, an attrition model, and a profitability model.

According to pages 10 and 11 of the Office Action, Jackson describes a "targeting engine configured to...determine a sequential order for combining the models to define the target group". However, Applicants respectfully submit that Jackson does not describe a targeting engine configured to determine a sequential order for combining the models to define the target group, wherein the model combination includes a risk model, an attrition model, and a profitability model. Rather, Jackson, at pages 174 and 175, describes utilizing a single model based on profitability to rank customers in a single database to develop a profitability gains table. Additionally, Jackson at pages 176, 177, 182 and 183 describes a method of using the single scoring model to identify optimum strategies for allocating marketing resources. As such, Jackson does not describe nor even suggest a targeting engine configured to determine a sequential order for combining models. Moreover, Jackson, at page 184, describes using two complimentary models, however Jackson does not describe nor even suggest a targeting engine configured to determine a sequential order for combining models. Rather, contrary to what is suggested by the Office Action, the discussion in Jackson of using a primary model to predict profitability and another related model to determine bad debt does not describe or suggest

determining a sequential order for combining models. Accordingly, although Jackson discusses combining models at page 184, Jackson does not describe or teach a targeting engine configured to determine a sequential order for combining models, wherein the models include risk models, attrition models, and profitability models, and wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline.

Moreover, the Office Action appears to suggest that the weighting of the predictors in Jackson somehow describes determining a sequential order for combining models to define a target group. However, Applicants respectfully submit that although the predictors in Jackson are weighted, the order of asking the predictor questions and the order of adding the predictor scores is not determined and does not effect the final results. Rather, the predictors can be combined in any order because the output is merely a total of the points assigned to the predictors found in each potential customer, and is not based on the order in which the models are combined. In other words, Jackson does not describe or teach a targeting engine configured to determine a sequential order for combining models, but rather, Jackson merely describes weighting certain predictors more heavily than others and then combing (i.e., adding) these predictors in any order to generate a point total.

The Office Action also asserts at page 11 that Jackson describes "a targeting engine configured to combine said models in the determined sequential order to define an initial customer group, the initial customer group includes a list of customers satisfying each of the combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer, the list includes a high profit end, a moderate profit section, and a low profit end, the high profit end including customers having a highest projected profitability, the low profit end including customers having a lowest projected profitability, the moderate profit section including a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, the target group includes the customers included between the

high profit end of the list and the profitability baseline". As explained below, Applicants respectfully traverse these assertions.

Applicants respectfully submit that Jackson does not describe a targeting engine configured to combine the models in the determined sequential order to define an initial customer group, the initial customer group includes a list of customers satisfying each of said combined models and rank ordered by projected profitability wherein projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer. .

Rather, as indicated above, and contrary to what is suggested by the Office Action, the discussion in Jackson of using a primary model to predict profitability and another related model to determine bad debt does not describe or suggest determining a sequential order for combining models. Although Jackson discusses combining models at page 184, Jackson does not describe or teach a targeting engine configured to determine a sequential order for combining models and configured to combine the models in the determined sequential order to define a target group.

Moreover, Applicants respectfully submit that Jackson does not describe a targeting engine configured to define a list of customers including a high profit end, a moderate profit section, and a low profit end, the high profit end including customers having a highest projected profitability, the low profit end including customers having a lowest projected profitability, the moderate profit section including a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, the target group includes the customers included between the high profit end of the list and the profitability baseline, said targeting engine further configured to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero.

Rather, in contrast to the present invention, the output in Jackson does not include each potential customer that satisfies the combined models, but rather the output in Jackson includes

all of the potential customers in a database with a total point number assigned wherein the total point number for each potential customer would not necessarily indicate which predictors applied to the particular potential customer. Thus, Applicants respectfully submit that Jackson does not describe nor teach a targeting engine configured to combine the models in the determined sequential order to define an initial customer group that includes a list of customers satisfying each of the combined models.

Additionally, Jackson does not describe or suggest a targeting engine configured to combine the models in the determined sequential order wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline. As discussed above, Jackson does not describe or teach a targeting engine configured to combine models in a determined sequential order, but rather, Jackson merely describes weighting certain predictors more heavily than others and then combing (i.e., adding) these predictors in any order to generate a point total for each potential customer. Further, Jackson does not mention maximizing a number of customers included between a high profit end and a profitability baseline. Accordingly, Jackson does not describe or teach a targeting engine configured to combine models in a determined sequential order wherein the determined sequential order maximizes a number of customers included between a high profit end and a profitability baseline.

Moreover, Jackson does not describe or suggest a targeting engine configured to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero. Accordingly, Applicants respectfully submit that Claim 11 is patentable over Jackson.

For at least the reasons set forth above, Applicants respectfully request that the 35 U.S.C. § 102(b) rejection of Claim 11 be withdrawn.
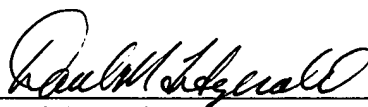
Claims 13-16, 18-21, 23, 26 and 27 depend, directly or indirectly, from independent Claim 11. When the recitations of Claims 13-16, 18-21, 23, 26 and 27 are considered in

combination with the recitations of Claim 11, Applicants submit that dependent Claims 13-16, 18-21, 23 26 and 27 likewise are patentable over Jackson.

For at least the reasons set forth above, Applicants respectfully request that the 35 U.S.C. § 102(b) rejection of Claims 1-4, 6-11, 13-16, 18-23, 26 and 27 be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in this application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,

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IN THE DRAWINGS

The attached drawing sheet includes new Figure 9 which depicts a flowchart as referenced in the specification. Figure 9 adds no new matter.